

Judicial Branch Fees and Costs Bill House File 2789

As Amended by the Senate

Last Action:

Senate Floor

May 2, 2006

Executive Summary Only

An Act relating to assessing court costs and modifying fines, providing for indigent defense, and making appropriations to the Judicial Branch, Attorney General, Department of Corrections, and the Department of Inspections and Appeals.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

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EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

HOUSE FILE 2789 AS AMENDED BY THE SENATE JUDICIAL BRANCH FEES AND COSTS BILL

SENATE AMENDMENT

FUNDING SUMMARY

NEW FEES – REVENUE IMPACT

- The overall revenue generated in HF 2789 as amended is \$11.3 million. The Bill as amended allocates \$10.9 million. The remaining \$363,000 will be deposited into the General Fund.

- Increases the fines charged for simple, serious, aggravated, and Operating While Intoxicated (OWI) offenses by approximately 25.0%. The following chart illustrates the new minimum and maximum fine amounts.

Offense	Minimum Fine Amount	Maximum Fine Amount
Simple Misdemeanor	\$ 65	\$ 625
Serious Misdemeanor	\$ 315	\$ 1,875
Aggravated Misdemeanor	\$ 625	\$ 6,250
OWI 1st	\$ 1,250	
OWI 2nd	\$ 1,875	\$ 6,250
OWI 3rd	\$ 3,125	\$ 9,375

FISCAL IMPACT

- Increases the Judicial Branch allocation by \$1.0 million, increasing the over all allocation to \$14.0 million.
- Increases the Indigent Defense allocation to \$3.0 million to match the following attorney pay matrix for billable attorneys. The \$3.0 million will be shown in the Indigent Defense budget as a receipt.

Offense	Rate Increase	New Hourly Rate
Class A Felony	\$ 5	\$ 65
Class B Felony	\$ 5	\$ 60
Class C Felony	\$ 10	\$ 60
Class D Felony	\$ 10	\$ 60
Aggravated Misdemeanor	\$ 10	\$ 60
Serious Misdemeanor	\$ 10	\$ 60
Simple Misdemeanor	\$ 10	\$ 60
Juveniles	\$ 5	\$ 55
Appeals	\$ 5	\$ 55
Others	\$ 5	\$ 55

- Directs the State Court Administrator to allocate \$300,000 annually, from the fees and fines collected by the clerks of district court, to the Office of the Attorney General for Legal Services Poverty Grants. The funds are to be used for legal services for persons in poverty. The \$300,000 allocation is in addition to the proposed General Fund appropriation of \$900,000 to the Attorney General's Office in HF 2558 (FY 2007 Justice System Appropriations Bill). The \$300,000 allocation will be shown in the Attorney General's Office budget as a receipt, rather than an appropriation.
- Directs the State Court Administrator to allocate \$560,000 annually, from the fees and fines collected by the clerks of district court, to the Department of Corrections for the Newton Safe Keepers Program. The

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BILL AS PASSED BY THE HOUSE BACKGROUND INFORMATION

\$560,000 allocation is in addition to the proposed General Fund appropriation of \$26.1 million for the Newton Correctional Facility in HF 2558 (FY 2007 Justice System Appropriations Bill). The \$560,000 allocation will be shown in the Newton Correctional Facility's budget as a receipt, rather than an appropriation.

NEW FEES – REVENUE IMPACT

- The 2005 General Assembly enacted HF 826 (Speed Limit Act), which increased simple misdemeanor court costs/filing fees from \$17 to \$30 and made the fees the same level as indictable filing fees. This generated approximately \$7.0 million for FY 2006 that was dedicated to the Judicial Branch for operations.
- Senate File 2273 (FY 2006 Supplemental Appropriations Bill) appropriates \$4.0 million from the General Fund to the State Public Defender for additional costs incurred for FY 2006 indigent defense claims.

COLLECTION RATES

- House File 2789 increases the fee charged by the clerks of district court for filing and docketing a criminal case from \$30 to \$100 and the court costs/filing fees for a scheduled violation from \$30 to \$50. The estimated revenue impact of the \$20 increase in simple misdemeanor court costs/filing fees is \$8.7 million and the estimated revenue impact of the \$70 increase in indictable misdemeanor filing fees is \$600,000. The total revenue generated by increasing court costs is \$9.3 million. The revenues contained in this Bill are not subject to the 99.0% expenditure limitation rule.
- Court revenues are estimated by multiplying the amount imposed by a collection rate. According to the Justice Data Warehouse, the collection rate for a simple misdemeanor court cost/filing fee increase from \$30 to \$50 ranges from 31.3% to 65.3% for the first year, depending on the type of simple misdemeanor. (This includes scheduled violations, including traffic and some simple misdemeanors and non-scheduled traffic violations under Chapter 321, Code of Iowa, and some simple misdemeanors.) The collection rate for an indictable misdemeanor filing fee increase from \$30 to \$100 is 17.2%. This includes aggravated and serious misdemeanors. This collection rate may be slightly understated since it also includes felonies. However, the majority of the court costs paid in the first year would be from serious and aggravated misdemeanors since the first year payment of felonies tends to be applied to restitution.

FISCAL IMPACT

- House File 2789 directs the State Court Administrator to allocate \$13.0 million annually, from fees and fines collected by the Judicial Branch, to the Judicial Branch for salaries, maintenance, equipment, and miscellaneous purposes. This is a \$6.0 million increase to the Judicial Branch's current allocation and is in addition to the Judicial Branch's proposed \$123.3 million operating budget appropriation in HF 2557 (FY 2007 Judicial Branch Appropriations Bill). The \$13.0 million allocation will be shown in the Judicial Branch operating budget as a receipt, rather than an appropriation.

EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

HOUSE FILE 2789 AS AMENDED BY THE SENATE JUDICIAL BRANCH FEES AND COSTS BILL

- House File 2789 also directs the State Court Administrator to allocate \$2.8 million annually, from the fees and fines collected by the clerks of district court, to the Office of the State Public Defender of the Department of Inspection and Appeals. The funds are to be used to compensate court-appointed billable attorneys representing indigent adults and juveniles. This is a \$5 per hour increase over current law. The \$2.8 million allocation is in addition to the proposed General Fund appropriation of \$25.2 million to the State Public Defender in HF 2558 (FY 2007 Justice System Appropriations Bill). The \$2.8 million allocation will be shown in the State Public Defender's Office budget as a receipt, rather than an appropriation.
- The \$3.0 million increase for Indigent Defense is for billable attorneys and does not include the contract attorneys who negotiate their case rates with the State Public Defender's Office. Depending on how the contracts are re-negotiated, the increased cost would range from \$800,000 to \$1.6 million which would cover a \$5 to \$10 increase for these attorneys. A \$5 increase results in a 10.0% increase over the current contract rate and a \$10 increase results in a 20.0% increase over the current contract rate.